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Cases in Innovative Practices in Hospitality and Related Services: Set 4

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Recommended Citation

Enz, C. A., Verma, R., Walsh, K., Kimes, S. E., & Siguaw, J. (2010). Cases in innovative practices in hospitality and related services: Set 4 [*Electronic article*]. *Cornell Hospitality Report*, 10(12), 6-15.

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Cases in Innovative Practices in Hospitality and Related Services: Set 4

Abstract

This final set of hospitality innovators presents vignettes and brief descriptions of some 23 innovations. While the innovation does not have to be the first or best, in many cases the practices described are either unique or most fully realized. The innovators are grouped by the nature of the innovation, including product originality, interior design, unusual staffing or marketing approach, technology enabled, and human resources. The concepts are as follows (in order of presentation): Ubuntu, L'Ouest Express, Founding Fathers, POSH "Improvisational Cuisine," Praq, CitizenM, Qbic, Pixel Hotel, Restaurant Freud, Hotel Restaurant Abrona, Dans Le Noir?, Heart Attack Grill, re:vive, MiWorld, Hilton Garden "Ultimate Team Play," InterContinental TweetMyJOBS, Chick-fil-A Innovation Laboratory, Shangri-La Advanced Hospitality Program, Wendy's International web-based training platform, W Hotels' "employee celebrities," Marriott International' Diversity Ownership Program, Southwest Airlines' citizenship program, Wyndham Hotels "Women on Their Way," and the "alumni" programs of Harrah's, Microsoft, Deloitte, and Bain & Company.

Keywords

hotels, innovation, Ubuntu, L'Ouest Express, Founding Fathers, POSH, Praq, CitizenM, Qbic, Pixel Hotel, Restaurant Freud, Hotel Restaurant Abrona, Dans Le Noir?, Heart Attack Grill, revive, MiWorld, Hilton Garden "Ultimate Team Play", InterContinental TweetMyJOBS, Chick-fil-A Innovation Laboratory, Hilton International, Shangri-La, Wendy's International, W Hotels "employee celebrities", Marriott International's Diversity Ownership Program, Southwest Airlines, Wyndham Hotels "Women on Their Way", Harrah's, Microsoft, Deloitte, Bain & Company.

Disciplines

Business | Hospitality Administration and Management

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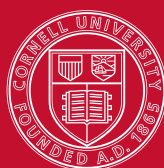


Cases in Innovative Practices in Hospitality and Related Services Set 4

Cornell Hospitality Report

Vol. 10, No. 12, August 2010

by Cathy A. Enz, Ph.D., Rohit Verma, Ph.D., Kate Walsh, Ph.D., Sheryl Kimes, Ph.D.,
and Judy A. Siguaw, D.B.A.



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Cornell Hospitality Reports,
Vol. 10, No. 12 (August 2010)

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Cornell Hospitality Report is produced for
the benefit of the hospitality industry by
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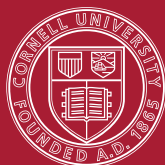
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Cornell University
School of Hotel Administration

Cases in Innovative Practices in Hospitality and Related Services

Set 4

by Cathy A. Enz, Rohit Verma, Kate Walsh, Sheryl Kimes,
and Judy A. Siguaw

EXECUTIVE SUMMARY

This final set of hospitality innovators presents vignettes and brief descriptions of some 25 innovations. While the innovation does not have to be the first or best, in many cases the practices described are either unique or most fully realized. The innovators are grouped by the nature of the innovation, including product originality, interior design, unusual staffing or marketing approach, technology enabled, and human resources. The concepts are as follows (in order of presentation): Ubuntu, L'Ouest Express, Founding Fathers, POSH "Improvitational Cuisine," Praq, CitizenM, Qbic, Pixel Hotel, Restaurant Freud, Hotel Restaurant Abrona, Dans Le Noir?, Heart Attack Grill, re:vive, MiWorld, Hilton Garden "Ultimate Team Play," InterContinental TweetMyJOBS, applicant tracking systems (used by Island Restaurants, Cheesecake Factory, and McDonald's), Chick-fil-A Innovation Laboratory, Hilton International, Shangri-La, Wendy's International, W Hotels' "employee celebrities," Marriott International's Diversity Ownership Program, Southwest Airlines, Wyndham Hotels "Women on Their Way," and Harrah's, Microsoft, Deloitte, and Bain & Company.

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The authors gratefully thank the Center for Hospitality Research for their support of this project.

Cases in Innovative Practices in Hospitality and Related Services

Set 4

by Cathy A. Enz, Rohit Verma, Kate Walsh,
Sheryl Kimes, and Judy A. Sigauw

This is the fourth and final set in a series of case studies examining innovation in the hospitality industry. Our overall project goal was to identify individual managers or organizations that have developed highly effective and profitable products, processes, services, ideas, business models, or practices that represent innovations to the industry. We use the term innovator to refer to a person or organization that has developed a new or unique practice or has devised a novel application of an existing practice that has proven to be highly effective and profitable.¹ In addition to describing the concept or practice, in this report we have tried to include learning points to assist those who might wish to replicate elements of the featured case idea.

¹ See: "Hospitality Innovation Study Launched By Cornell Faculty Team," November, 2008.

In the first three sets, we produced thirty case studies of innovators across multiple disciplines, including operations, marketing, and human resources. In this final set, we adopt a slightly different approach. To accomplish the same goal but in a quick-study format, we provide twenty-five relatively brief examples of innovative practices in both new concept development and human resources processes. Our final set seeks to provide insights into multiple ideas that could become the springboard for further investigation and adoption.

In researching these examples, along with the thirty cases that preceded this last set, we began with innovations that were nominated through a survey conducted via the Center for Hospitality Research website. We received over sixty examples of viable concepts to further explore. Ideas covered a diverse group of concepts, including tourism, food and beverage concepts, eco-friendly sustainability practices, and social media opportunities. We also identified new ideas by reviewing company press releases, print articles, and databases. We were on the lookout for any article that explored a creative solution to pressing industry challenges or problems. In the first of the sections that follow we focus on new business concepts, and then we examine cutting-edge human resource practices. We hope that you enjoy reading them as much as we enjoyed uncovering them.

Innovative Concepts

Innovations can be small or large. The pillow menu at Hilton Hotels, the women-only floor at a Crowne Plaza, or even a goldfish bowl in your room at the Monaro Hotel are distinctive innovations. Ice hotels, capsule hotels, and tree house hotels have intrigued travelers for years. We look with curiosity on the possibilities of future hotel concepts in the sea or in space, but for now we focus on new or interesting business concepts that offer unusual or novel experiences for guests. We will focus on hotel and restaurant concepts that offer originality in the creation of the product, new design elements or configurations of space, special staffing and service execution, or the enabling of technology.

Product Originality

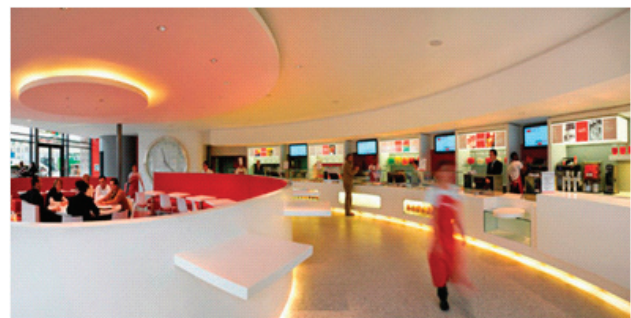
Ubuntu. Connecting the customer to the bounty of the earth is the mission of Ubuntu, a vegetable-based restaurant located in a yoga studio in downtown Napa, California. This Michelin one-star restaurant opened to rave reviews in the summer of 2007, highlighting its ability to bring sophistication and care to vegetables that were still in the ground just hours before you eat them. The name Ubuntu is Zulu for “humanity towards others” and is derived from a humanist philosophy that focuses on people’s connections to community, sharing and generosity. Sandy Lawrence, the founding owner of the



Ubuntu

restaurant, selected the name because of her work in South Africa and her desire to bring local produce to guests.

This restaurant concept began with the transformation of a landmark 19th century building in Napa into a model of “green design,” using recycled products. The business comprises a restaurant, a yoga studio, which offers regular classes, and an annex, which sells handcrafted wines, gifts, and specialty items. Over 70 percent of their wine selection is from sustainably farmed wines. The restaurant provides vegetable-inspired menu items using the ingredients from local Napa gardens, based on seasonal availability. Its garden-fresh menu based on locally grown vegetables from their own biodynamic (organic) gardens offers a close connection between garden and kitchen. The use of special preparations in homeopathic doses is a key element of their biodynamics approach to enhancing the life of soil, plants, and animals.



L'Ouest Express

L'Ouest Express. Elegant quick-service dining may seem to be an oxymoron but it works well in the hands of super-chef Paul Bocuse and French designer Pierre-Yves Rochon. This restaurant concept, opened in 2009 in Lyon, France, combines quality, simplicity, and efficiency. While Tom Colicchio, chef of Craft and TV host of “Top Chef,” is attributed with coining the term “fine fast,” it is Bocuse

POSH “Improvisational Cuisine.” Imagine a restaurant without a menu and you have the main element of this improvisational fine-dining restaurant located in Scottsdale, Arizona. Sitting at a counter that surrounds the kitchen,

list of main ingredients (as shown on the form).⁴ After they cross off items they dislike and note any dietary restrictions, guests can then watch as the culinary staff develops dishes that are beautifully plated (and carefully paired with interesting wines, if desired). The meals take shape with a level of anticipation and surprise, since you don't know what you will be eating. Different dishes are created for each member of a party, allowing guests to compare and sample. In this culinary journey the chef will from time to time stop over to explain and chat in a friendly and informative fashion, making this concept and the level of service exciting for those who enjoy food and creative uncertainty.

POSH

³ “Founding Farmers, “The Family Farmer: American Family Farmer, Sustainable Agriculture, Organic & Local.” *Founding Farmers, True Food & Drink* : Washington, DC. Web. 16 June 2010. http://www.wearefoundingfarmers.com/family_farmer/.



Praq

Interior Design

Praq. A child-friendly restaurant in Amsterdam, Praq, which means “mashed foods,” is created to appeal to both children and adults while being neither patronizing nor obnoxious. The food is simple Dutch cuisine, and the interior design is playful and innovative. Designed by Frank Tjepkema and Janneke Hooymans (a.k.a. Tjep), the first Praq was opened in 2003. Its farm-style roof features massive wooden beams, while the furniture is designed to transform into other objects. Tables resemble buses, cars, windows, or kitchens. A wall divides the adults’ and children’s areas, while seats are brightly colored and glass tabletops are held up by giant glass chess pieces. Children’s meals, served on non-breakable dishes, offer fresh ingredients and organic products. This popular concept expanded in 2008 to two additional restaurant locations, also designed by Tjep and focused on the vision of having a child focused environment that was playful and imaginative.

CitizenM. Named the “trendiest” hotel in the world in 2010, the CitizenM Hotel Amsterdam City offers afford-



CitizenM

able luxury to the modern hotel guest, defined as “Citizen Mobile.” CitizenM offers stylish design, the latest technology, and a social atmosphere in a reasonably priced luxury concept that incorporates a down-to-earth, approachable style. The concept gives professionals and culture seekers a hotel that takes away many traditional services. This hotel concept is targeted to the value conscious person who seeks personal choice, modern design, friendly technology, and the proximity to a city. The hotel’s guest rooms are based on a construction system called “Industrial Flexible Demountable,” in which rooms are pre-made in a factory off-site, similar to the quality you might find in a luxury yacht or private jet. This modular system combines functionality with comfort and design.

Check-in kiosks greet you upon entry to the hotel, and you can pull-up your online booking and enter your personal preferences: your lighting, music, temperature, and wake-up call. By the time the machine has programmed your personal RFID (radio frequency identification) card, your room has been adjusted to your liking and is waiting for you to enter. The lobby is like a living room, with the latest collection of iconic Vitra and Eames furniture, wi-fi, large screen TV, and lounge chairs. CanteenM offers a 24-hour choice of signature sandwiches, salads, sushi, warm dishes and beverages. Once you leave the hotel you can keep your room key card (which doubles as a luggage tag), as it will remain active for your next stay.



Qbic

Qbic. Another contemporary budget-oriented hotel concept from Holland is Qbic, which embraces the self-service experience through a cube-shaped interior building design. Paul Rinkens, Rino Soeters, and Marcel Voermans, the developers and owners of Qbic, have invented a cube-shaped living space, called a Cubi (see photo).⁵ Each Cubi

⁵ Photo from http://www.tripadvisor.com/Hotel_Review-g188590-d636331-Reviews-Qbic_Hotel_Amsterdam_WTC-Amsterdam_Noord-Holland.html



Pixel Hotel

features a handmade Hästens bed, Philippe Starck–designed bathroom elements, LCD TV, secure high-speed internet, and an ingenious work-and-dine set. The Cubi also allows guests to choose yellow, purple, or red lighting, according to their mood. With kiosks, check-in is self-service, and the modest lobby area includes vending machines for a “Grab & Go.” Qbic hotels can be found in Amsterdam, Antwerp, and Maastricht. The Amsterdam hotel is in an office building, and housekeeping for the hotel is handled by the office building’s cleaning staff, allowing for a small staff dedicated to hotel operations.

Pixel Hotel. More of an art project than a hotel, Pixel Hotel’s creators convert available, odd-lot city spaces into functioning hotel rooms in Linz, Austria, thanks to the support of the Linz 2009 European Capital of Culture initiative that matches government funds to creative endeavors. Under this concept local architects convert spaces around the city (including a garage, a workshop, and a ship) into hotel rooms, blurring the definition of a hotel, and evoking awards for innovation, all for the purpose of increasing tourism in the city.⁶

Unique Staffing (and Marketing) Approaches

Restaurant Freud. Also located in the Netherlands, Restaurant Freud’s goal is to help people with prior psychiatric challenges to integrate back into society by employing them in the restaurant business. To that end, seventy employees with past or present psychiatric disorders work in the restaurant, which touts its great food and “different” staff. The brainchild of a cook, a psychologist, and a job coach, the restaurant offers education and training for its employees, who might otherwise be excluded from the job market. The restaurant is affiliated with ROADS, and sponsored by Foundation for Mental Health, Skanfonds, Stichting Doen, Stichting Instituut Gak, Service Care, and Living in the City of Amsterdam. The staff are known for their enthusiasm and personal approach to guest service.

⁶ Photo from www.pixelhotel.at/en/home.html.



Heart Attack Grill

Another operation that relies on unique staffing is the **Hotel Restaurant Abrona**. This three-star hotel is the first in Holland to use people with intellectual limitations as workers in both front- and back-of-house positions. The hotel makes it possible for people with intellectual disabilities to learn a profession and become gainfully employed. Like Restaurant Freud, Abrona offers a benefit to society and select groups by helping individuals who face challenges with a way to re-enter the work world or to work productively in the community.

“Dans Le Noir?” Dining in total darkness allows the guests of this restaurant to experience the unusual social experience of conversation without visual judgment and a focus on taste versus sight in the culinary experience. Founded in 2004 in Paris by Edouard de Broglie and Etienne Boissond, this successful restaurant was supported by the Paul Guinot Foundation for Blind People. The London-based “Dans le Noir?” is one of the world’s biggest restaurants in the dark. The restaurant’s wait staff cannot see, but in a reversal of roles, guests must trust them as guides for the dining experience. In 2006 the first franchise of this restaurant concept opened in Moscow. Eating in complete darkness has helped to increase awareness and sensitivity for the blind, and other companies and foundations have opened similar restaurants in Zurich and Bale (Switzerland), Koln, Hamburg, Frankfurt, and Berlin (Germany), Montreal (Canada), and Finland.

Heart Attack Grill. Using the tagline “A taste worth dying for,” this restaurant, based in Chandler Arizona, has a concept that is playful or obnoxious, depending on your point of view. Serving up an unhealthy meal using a hospital theme, founder Jon Basso has garnered both notoriety and controversy for elements of the concept. The Heart Attack Grill offers the diner a limited menu of hamburgers, coke, and an all you can eat fries bar, served “Hooters-style” by



re:vive

women acting as nurses.⁷ The quadruple bypass burger (with 8,000 calories), for instance, has four half-pound patties, each dressed with cheese, lettuce, tomato, red onions, bacon, and even a fried egg. You can have your heart stopping quadruple bypass served by the scantily attired “nurses” (waitresses), who will push you to your car in a wheelchair after your meal if necessary. The Flatliner Fries are cooked in lard and covered with either gravy or cheese sauce.

Embracing controversy, the restaurant has come under criticism from the Center for Nursing Advocacy and the Arizona Board of Nursing for the overt sexualization of the nursing profession. For good or ill, this concept is innovative. Beyond its clear focus on unhealthy food, it uses negative publicity to advance its popularity and visibility. For a small but growing concept, this restaurant has spent few marketing dollars but has been able to spread its name widely (including in this report). In today’s health conscious society this concept has differentiated itself by being upfront about its product, especially targeting those who are tired of feeling bad when they consume fatty foods. From the sounds of the online reviews, the burgers are good, even if the meal is bad for you.

Technology-Enabled Innovations

re:vive. Imagine table-service dining at the gate as you wait to board your next plane in New York. For those accustomed to unpleasant travel experiences, re:vive is a welcome innovation at the JetBlue Terminal at JFK International Airport. re:vive is a new dining option for passengers in the gate area, who can use touch-screen monitors to order a meal that is delivered to tables in the secure boarding area in ten minutes or less.⁸ Thanks to OTG Management, re:vive

⁷ For a video of this concept see www.youtube.com/heartattackgrill#p/u/8/koxRy4asAAc.

⁸ Photo source: www.nyc.com/people/chef_pierre/blog/343462/sneak_preview_of_jfk_terminal_five_restaurants.aspx. See a video of the concept at www.youtube.com/watch?v=pJREnkzJ2Es.



MiWorld

at JFK has become the first airport terminal in America to offer table-service dining at the gate. The concept also offers comfortable seating, power outlets to charge electronics, and an easy touch-screen monitor system to order quality meals. NEXTEP SYSTEMS provides the kiosks, and with 250 touch screens the project is the largest known self-order food and beverage-based installation of kiosks.

MiWorld. Combining the elements of a virtual social network and real life experiences, MiWorld is a restaurant and social networking site, located in Johannesburg, South Africa. Mi stands for meaningful interaction. This concept, focused on social networking, requires the guest who wishes to visit the restaurant to first register online to become a member. Unlike a virtual game, this concept brings people together in physical space—although they don’t actually have to meet in person. You can select the venue, MiLounge or MiBar, and then pick a time. Once you arrive you can sit at tables with touch screens that allow you to chat with other patrons, browse the menu, or visit other social networking sites. The concept targets a young urban crowd, *Vintage Fresh* delivers the light snacks and tapas, and *Liquidchefs* provides the specialty drinks.⁹

Human Resources

This next group of innovations are designed to take advantage of the opportunity to develop a staff that bring lasting-value to the guest experience. While perhaps less thrilling than the product and concept innovations, they are exciting in that they offer a new look at pieces of an old puzzle—the investment mix in employees. These ideas include tapping into the customer connection, developing an advantage through creating and aligning a company’s core value system, and engaging employees as owners of the business. All of these ideas are centered around finding and keeping the right people as loyal, long-term company representatives, who shape guest interactions and relationships.

Engaging with the Gamers. The Hilton Garden Inn launched a new training program titled “Ultimate Team

⁹ For more information visit <http://mi-world.co.za/milounge-martini.html> or go to facebook: www.facebook.com/pages/Johannesburg-South-Africa/MiLOUNGE-Martini/116032551747699?ref=ts

Many companies are using technology to improve employee training or to encourage job seekers, including Hilton Garden, InterContinental, Shangri-La, and Wendy's.

Play,” created by Virtual Heroes for Sony's Playstation Portable. This handheld, interactive entertainment system is being used for guest satisfaction training in housekeeping, food and beverage, engineering, and the front office; it represents a way to reach and engage with today's technology-savvy learners in a fun, competitive way. In Ultimate Team Play, team members find themselves in a 3-D virtual Hilton Garden Inn where they are presented with different guest scenarios. Within a given timeframe, they must read the guest and decide the best way to respond to the guest's issue, while in the process of completing their specific jobs. Team members' decisions, which are based on how quickly, politely and appropriately the employee responds, affect the mood of the virtual guests, as well as the guest's overall satisfaction scores. Although the exercise is virtual, the results are scored according to Hilton Garden Inn's actual guest satisfaction system, SALT (Satisfaction and Loyalty Tracking). One of the goals of the training program is to demonstrate to employees how their decisions affect guests' moods and ultimately the sway of the guest satisfaction scores.¹⁰

Tweeting to job seekers. InterContinental Hotels Group (IHG) has engaged the services of TweetMyJOBS to reach thousands of potential applicants using social media, text messaging, and emails. TweetMyJOBS is an online jobs board that uses Twitter to connect job seekers with potential employees. Those looking for jobs can search TweetMyJOBS based upon the type of work, company, or location they are seeking. When opportunities become available, potential applicants are notified and can instantly apply. Using its service, in January 2010, IHG posted more than 1,000 open positions globally and received over 18,000 views from potential applicants. With 1,400 plans in its developmental pipeline and an anticipated 140,000 potential openings in the years to come, targeted social networking represents a recruitment strategy that is not limited by geography and can match the right talent with the right position. It also represents a way for IHG to think broadly and strategically about its overall talent pool beyond each individual property.¹¹

Managing the search for talent. Going beyond tweeting job opportunities, restaurant chains and some independents are using applicant tracking systems (ATS, some linked to Monster.com), to reach potential applicants, streamline the interview process, and train new hires. For example, Island Restaurants linked with Monster.com to provide video testimonials about quality of worklife for company employees for applicants from general managers. The Cheesecake Factory uses its ATS to determine the best recruiting sources and sites, a process that has reduced its time

¹⁰ “Hilton Garden Inn officially launches innovative training using PSP,” *BusinessWire*. New York: January 14, 2009.

¹¹ “IHG utilizes TweetMyJOBS to reach thousands of qualified job applicants instantly,” *BusinessWire*: New York, March 2, 2010

to successful hire from 45 to 14 days. McDonalds, among others, is using podcasts and iPod-based tools to teach employees about their jobs and even sell them on ownership opportunities. Video podcasts, for example, are used to tell stories of owner-operators who moved from hourly positions to running their own businesses. All these practices use the latest technology to attract and keep the best talent.¹²

Improving People's Lives with a Chicken Sandwich?

Chick-fil-A is planning to open an Innovation Laboratory to institutionalize its thinking on innovative ideas that promotes stewardship to its customers. To build on its 42 years of consecutive sales growth (culminating in \$3.2 billion in sales in 2009), Dan Cathy, the company's COO, is determining how to improve on its already excellent customer service. His plan is to encourage all employees to experiment with low-risk, low-profile ideas, such as reserving a table for the elderly customer who comes to the restaurant because she's recognized there and feels important. Beyond sharing stories of employees offering new ideas to reach current and new customers, such as the employee who suggested offering free meals to the first 100 customers of any new store (promoting a mass following unlike any other), the Innovation Laboratory will actually teach employees the process and discipline of thinking creativity. Chick-fil-A's goal is to shape a vision of what the company could be to its customers, and then provide the cognitive tools for employee to act on that vision.¹³

Elevator Up at Hilton International. This innovation has its foundation in a program that was implemented over twelve years ago, with a small group of select employees. Hilton International has developed an award-winning "elevator" program that fast-tracks trainees to general manager positions within five to eight years. The program works with over 80 international schools to select and train persons with high potential through off-the-job training and business-driven projects, and offers them opportunities in many developing regions, including Asia. Much of the screening and assessment of skills and abilities is completed online, through Hilton's virtual university, enabling the human resources team to create global development plans for its recruits, regardless of location. This enables the team to plan succession and place its candidates in appropriate developmental jobs and ultimately high-level leadership positions.¹⁴

A University within a Hospitality Company. Along those lines and with an HR mission of "enabling all employees to achieve their personal and professional growth," Shangri-La Hotels & Resorts has created a learning platform

to support its ambitious growth plans of doubling its size. With an annual training budget of 3 to 4 percent of its overall payroll, Shangri-La looks comprehensively at the training and development of all of its employees. For example, before new managers work at opening properties, they spend months and sometimes even years training in host hotels. Their goal is to absorb the service culture and bring that culture to the opening hotel. High-potential employees are invited to attend the Advanced Hospitality Program, a ten-week, full-time residential training program at Shangri-La's corporate academy in Beijing. Those not wishing to leave their property can develop their leadership-skills through an eighteen-month on-the-job program, through a self-paced developmental plan and with online learning through structured eCornell courses. All participants are mentored by their general managers and are assigned action-learning projects to complete. These projects are based on challenges the company is facing, whether they involve finance, customer issues, or staffing, and participants present their findings to senior managers at the company's annual meeting in Hong Kong. All of this information is fed into Shangri-La's database management system, designed to track training goals and progress, and inform the company's leadership succession plan. The company's goal is to create global, high performance company, and maintain a pipeline of developing leaders.¹⁵

When a Company Can't Afford a University. When Wendy's International wanted to implement a plan to aggressively meet its growth goals, it turned towards its training initiatives. Over half a million employees are trained each year in the company's franchises. To ensure a complete and consistent training experience for all brands and locations, as well as be able to complete just-in-time training, the company used an adaptable web-based software platform, customized by Plateau Systems, for all its online and classroom courses. Employees in any franchise can complete their training through this program. What makes this idea innovative is that Wendy's integrates Plateau with its PeopleSoft human resource information system to create customized learning development plans for each employee. Wendy's can also track the learning and development in all its brands and franchises and measure the investment's financial results through store profitability and success. Using these data, Wendy's identify and implement management development initiatives, while simultaneously reducing its turnover, which is over 200 percent annually. Most important, it improves on the consistency of the customer experience from establishment to establishment, an issue central to Wendy's success.¹⁶

¹² Caley, N. "Embracing the Future of Human Resources," *Nation's Restaurant News*, January 26, 2009, p. 34.

¹³ "More Innovative," *Training and Development*, March 2010, pp. 37-41.

¹⁴ Beal, Brian, "Psychological Search for Hilton Hotel Managers," *Human Resource Management International Digest*, Vol. 12, pp. 30-32.

¹⁵ "Of Angels and Tigers," *Training and Development*, October 2008, pp. 58-60.

¹⁶ "Wendy's: Consistently Excellent through Training," *Training and Development*, February 2006, pp. 68-69.

Harrah's is one of several companies that keep in touch with former employees—alumni—to benefit from their experience. Microsoft, Deloitte, and Bain & Company also do this.

Employees as celebrities. As new employees arrived at the soon-to-open W Hotel in Boston, they were greeted with a purple carpet (the hotel's signature color) that led into a party, including a D.J., "paparazzi," and a Joan Rivers-type impersonator interviewing the "stars." While contrived, the concept is to give employees "celebrity treatment" so they would do the same for W guests. The celebrity treatment is part of an integrated culture that includes Michael Kors–designed uniforms and asking employees to eavesdrop and even be playful with guests. The W brand cultivates its stylish image as the coolest place in town to stay and targets clients who are trendsetters or who identify with trendsetters. The company's whimsical "W" theme is intended to attract and train employees who can create what the company calls its "inclusively exclusive" cachet. By the end of 2011, the company has plans to have 50 properties, more than double its number at the start of 2009. Their growth, even through the recent weak economy, is attributable to creating an integrated brand experience, delivered by employees who themselves have experienced and understand the companies' three core values of "flirty, insider, and escape."¹⁷

Employees as owners. As part of its award-winning diversity initiatives, Marriott International has focused on many worthwhile programs, such as training for over thirty languages using hand-held devices and age-awareness classes that teach baby boomers how to work alongside those from younger generations. One of its most impressive diversity initiatives, however, is its Diversity Ownership Program, where employees are encouraged to become Marriott owners. Four times a year, the company holds its Diversity Ownership Education Symposium, to introduce employees who could be future owners to lodging-ownership issues, including feasibility, construction, financing, and operations. If interested, they attend additional sessions to learn about franchising, and are provided opportunities to own a Marriott-franchised hotel. By 2010, women and minorities owned over 500 of the company's 3,200 hotels worldwide. Marriott believes that it is crucial that its owners are reflective of its diverse customer-base and communities in which it operates.¹⁸

Citizenship = Culture of Success. Southwest Airlines has fostered its reputation as an outstanding place to work. Through its "People Department" (as its HR office is called), the company is known for carefully aligning employee initiatives with its focus on "wowing" the customer. One such initiative involves making its core value of citizenship one of its key competitive advantages. In its 2009 Annual Report,

¹⁷ Chase, K.J. "Inside the W: Boston opening months in the making as hotel chain showed employees how to bring its special brand of whimsy to guests," *Boston Globe*, Boston MA: October 25, 2009, p. G1.

¹⁸ Cimini, M. "Inclusion is key to success," *Lodging*. October 2009.

Southwest reported its many Go-Green Initiatives, and it also reported on ways the company works with its employees to help those struggling through the recession. Logging over 45,000 hours in donated time, as well as over \$11.5 million in monetary and ticket contributions, the company and its employees worked to help others in need, including disaster response, guiding minority students to careers in business, or flying military veterans to Washington, D.C., to visit the WWII memorial. Beyond not charging fees for baggage, the company sought to help others through difficult times. Among the company's results: In 2009, it earned a profit for its 37th consecutive year.¹⁹

Women on Their Way. Wyndham Hotels and Resorts has focused on addressing particular issues for female travelers since 1995, when it began designing extensive programs around women's needs, starting with secure rooms and healthy menus. The company created an online program named "Women on Their Way," which provides comprehensive trip planning information and special offers for female business and leisure travelers. Working with the concept that their most loyal female guests likely enjoying interacting with loyal female employees, the company launched the "Women on Their Way" program for its associates. This program provides Wyndham's female employees with advice and support, including workshops on topics discussing work-family integration and healthy living. In 2008, the company expanded the program to include mentoring circles, as well as career development and leadership initiatives. The goal of the program is to help women to advance within the company, while creating a culture of camaraderie and support. Women can connect with other employees from around the world, while learning more about the company and its developmental opportunities.²⁰ Through this program, Wyndham's female associates can build important professional connections central to their career success.

Keeping in Touch. More than one firm uses a strategy of keeping in touch with employees who have left the organization. Firms that use this method of "alumni" contact include Harrah's, Microsoft, Deloitte, and Bain & Company. Because long-term employees bring added value to the company, the idea is that it makes sense to remain in contact with valued former employees. Similar to any university's alumni program, maintaining contact with valuable former

employees, whether through social media (e.g., Facebook, LinkedIn, blogs), emails, newsletters, or even a phone call, can help maintain an active pipeline of potential hires. Some companies hold alumni networking events, and have established active mentoring and career development programs for their former employees. Regardless of whether these alumni return to their employer, they represent a link to other potential excellent candidates. (Moreover, if they do return, chances are they will be more loyal and hardworking than ever.) If gaining referrals were not enough reason, fostering long-term alumni relationships promotes a sense of identify that encourages these individuals to recommend potential new customers—including themselves. Finally, similar to defecting customers, former employees likely hold the key to potentially innovative ideas, perhaps masked as sources of dissatisfaction. Thus, re-recruiting or staying in touch with outstanding former employees and developing their roles as good-will ambassadors, is a smart, easy-to-implement strategy.²¹

Conclusion

We close this series of innovative practices with a note of thanks to all of our innovators, especially those who graciously agreed to be interviewed and share details of their concepts. We are indebted to them and thank them for their generosity. We also appreciate the suggestions and helpful feedback from our hospitality academic colleagues around the globe. Sharing new concepts is like agreeing to give away a secret recipe, and we know these innovators have done so with the knowledge their ideas could potentially be imitated or refined by new market entrants or current competitors. Yet, it is in the spirit of advancing the knowledge of hospitality that these innovators share their ideas. In learning about new products and concepts that are sources of success, we as researchers are provided opportunities to examine these issues in-depth and pass on great ideas. Studying both practice and theory is how new knowledge is developed that benefits all of us. In total the fifty-five case studies presented in the four sets of series were prepared in the hopes that hospitality managers and students would learn from and be inspired by the innovations of others. We thank those who have shared their ideas and helped to make this goal a reality. ■

¹⁹ Southwest Airlines 2009 Annual Report.

²⁰ www.womenontheirway.com

²¹ www.indiangaming.com/istore/April09_Woolley.pdf

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Hospitality Leadership Through Learning



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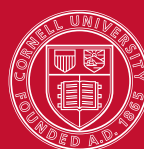
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2010 Reports

Vol. 10, No. 10 Cases in Innovative Practices in Hospitality and Related Services, Set 3: Cayuga Sustainable Hospitality, Chic & Basic, JetBlue Airlines Jumeirah Essex House, The Ritz-Carlton Hotel Company, Runtriz, The Seaport Hotel, Thayer Lodging, TripTelevision, and Xsense Experiential Design Consulting, by Cathy A. Enz, Ph.D., Rohit Verma, Ph.D., Kate Walsh, Ph.D. Sheryl E. Kimes, Ph.D., and Judy A. Siguaw, D.B.A.

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Vol. 10, No. 8 Developing Measures for Environmental Sustainability in Hotels: An Exploratory Study, by Jie J. Zhang, Nitin Joglekar, Ph.D., and Rohit Verma, Ph.D.

Vol. 10, No. 7 Successful Tactics for Surviving an Economic Downturn: Results of an International Study, by Sheryl E. Kimes, Ph.D.

Vol. 10, No. 6 Integrating Self-service Kiosks in a Customer-service System, by Tsz-Wai (Iris) Lui, Ph.D., and Gabriele Piccoli, Ph.D.

Vol. 10, No. 5 Strategic Pricing in European Hotels, 2006–2009, by Cathy A. Enz, Ph.D., Linda Canina, Ph.D., and Mark Lomanno

Vol. 10, No. 4 Cases in Innovative Practices in Hospitality and Related Services, Set 2: Brewerkz, ComfortDelgro Taxi, DinnerBroker.com, Iggy's, Jumbo Seafood, OpenTable.com, PriceYourMeal.com, Sakae Sushi, Shangri-La Singapore, and Stevens Pass, by Sheryl E. Kimes, Ph.D., Cathy A. Enz, Ph.D., Judy A. Siguaw, D.B.A., Rohit Verma, Ph.D., and Kate Walsh, Ph.D.

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Vol. 10, No. 2 How Hotel Guests Perceive the Fairness of Differential Room Pricing, by Wayne J. Taylor and Sheryl E. Kimes, Ph.D.

Vol. 10, No. 1 [Compendium 2010](#)

2010 Roundtable Retrospectives

Vol. 2, No. 1 Sustainability Roundtable 2009: The Hotel Industry Seeks the Elusive “Green Bullet.”

2010 Industry Perspectives

No. 5 Making Customer Satisfaction Pay: Connecting Survey Data to Financial Outcomes in the Hotel Industry by Gina Pingitore, Ph.D., Dan Seldin, Ph.D., and Arianne Walker, Ph.D.

No. 4 Hospitality Business Models Confront the Future of Meetings, by Howard Lock and James Macaulay

2009 Reports

Vol. 9, No. 18 Hospitality Managers and Communication Technologies: Challenges and Solutions, by Judi Brownell, Ph.D., and Amy Newman

Vol. 9, No. 17 Cases in Innovative Practices in Hospitality and Related Services, Set 1: Aqua by Grandstand, Brand Karma, Capella Hotels & Resorts, EnTrip, Hotels.com Visualiser, Luggage Club, Royal Plaza on Scotts, Tastings, Tune Hotels, and VisitBritain.com, by Judy A. Siguaw, D.B.A., Cathy A. Enz, Ph.D., Sheryl E. Kimes, Ph.D., Rohit Verma, Ph.D., and Kate Walsh, Ph.D.

Vol 9 No 16 The Billboard Effect: Online Travel Agent Impact on Non-OTA Reservation Volume, by Chris K. Anderson, Ph.D.

Vol 9 No 15 Operational Hedging and Exchange Rate Risk: A Cross-sectional Examination of Canada's Hotel Industry, by Charles Chang, Ph.D., and Liya Ma

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